

VZCZCXRO3159  
PP RUEHFK RUEHKSO RUEHNAG RUEHNH  
DE RUEHKO #1780/01 1130235  
ZNR UUUUU ZZH  
P 230235Z APR 07  
FM AMEMBASSY TOKYO  
TO RUEHC/SECSTATE WASHDC PRIORITY 2923  
INFO RUEKJCS/SECDEF WASHDC PRIORITY  
RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY  
RUEAWJA/USDOJ WASHDC PRIORITY  
RULSDMK/USDOT WASHDC PRIORITY  
RUCPDOG/USDOC WASHDC PRIORITY  
RUEAIIA/CIA WASHDC PRIORITY  
RUEKJCS/JOINT STAFF WASHDC//J5//  
RHHMUNA/HQ USPACOM HONOLULU HI  
RHHMHBA/COMPACFLT PEARL HARBOR HI  
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//  
RUALSFJ/COMUSJAPAN YOKOTA AB JA//J5/JO21//  
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA  
RUAYJAA/COMPATWING ONE KAMI SEYA JA  
RUEHNH/AMCONSUL NAHA 3257  
RUEHFK/AMCONSUL FUKUOKA 0809  
RUEHOK/AMCONSUL OSAKA KOBE 4342  
RUEHNAG/AMCONSUL NAGOYA 0103  
RUEHKSO/AMCONSUL SAPPORO 1728  
RUEHBJ/AMEMBASSY BEIJING 6730  
RUEHUL/AMEMBASSY SEOUL 2803  
RUCNDT/USMISSION USUN NEW YORK 4035

UNCLAS SECTION 01 OF 09 TOKYO 001780

SIPDIS

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;  
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;  
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;  
SECDEF FOR JCS-J-5/JAPAN,  
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA  
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;  
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 04/23/07-2

US-Japan summit meeting run-up:

10) Prime Minister Abe prior to US trip gives interview to Western media admitting Japan's responsibility for comfort-women issue  
11) Abe to announce at US summit financial cooperation for Afghan border reconstruction

12) High on agenda of US-Japan summit will be consideration to negotiating, signing an FTA

13) President Bush goes into summit with Abe with fond memories of "close friend" Koizumi

14) Abe tells abductee families that he will bring up abduction issue with President Bush at their summit meeting

15) LDP policy chief Shoichi Nakagawa seeks domestic legislation that would brand North Korea a "terrorist state"

16) Japan-South Korea history study group to meet on April 27 after 1 year 10 months

Defense and security issues:

17) Defense Minister Kyuma is considering speeding up deployment of missile defense system, aimed at erasing growing distrust of Japan in USG

18) Kyuma will ask US to provide F-22 information as prelude toward eventual purchase of aircraft

19) Japan's purchase of F-22s would require US congressional approval

20) SDF allocating 85.4 billion yen for continued ASDF dispatch to Iraq

21) LDP to establish panel to look into creation of tough secrets

protection law

Beef issue:

22) Unclear whether apparent new US flexibility on beef issue will result in breakthrough in stalemate between US, Japan

Articles:

10) Prime Minister Abe gives interview to US media, expressing "Japan's responsibility" for comfort-women issue; Study of right to collective self-defense linked to awareness of China

ASAHI (Page 1) (Full)

Eve., April 21, 2007

Prime Minister Abe, prior to his visit to the United States starting April 26, gave an interview to the Western media in which he apologized for the wartime comfort women, saying, "I feel extremely sorry" about the issue, adding that it was "Japan's responsibility." He also revealed that the strengthening of the Japan-US alliance has in mind a response to China's expanding military spending.

On the issue of the wartime comfort women, the prime minister at the beginning of last month denied there was "coercion in the narrow sense," which means direct military involvement in such acts as the forced recruitment of the women. This remark brought about a sharp reaction in the US. By clearly expressing his "apology" and "(Japan's) responsibility" through the US media, the prime minister aims to assuage the reactions in the US.

The prime minister stated: "As a human being, I sympathize from the bottom of my heart with those persons who were comfort women at that

TOKYO 00001780 002 OF 009

time. As the prime minister of Japan, I feel tremendously sorry that they were placed in such a situation." He then added: "The 20th Century was an era in which human rights were transgressed all over the world. Japan, too, bears a responsibility and is no exception. I feel a responsibility for the extremely painful memories they hold for having been comfort women."

On the other hand, the prime minister, turning to China's rapidly rising military spending, pointed out: "Japan is not thinking of increasing its military spending to match that of China. But there is need to make the Japan-US alliance even more effective and stronger." He pointed out: "On the relationship with the Constitution, as well, we have to carry out a study for that purpose -- as study regarding the use of the right of collective self-defense." He indicated that the study itself had China in mind.

In addition, he noted: "I would like to carry out a study of the interpretation from the point of view of what we can do as our own contribution to the world." He made it clear that a change in the government's interpretation of the ban of the use of collective self-defense was one option.

The prime minister's interview occurred in his official residence (Kantei) on April 17 in response to questions from the Wall Street Journal and Newsweek.

11) Afghan border: Prime Minister to pledge financial cooperation for reconstruction during upcoming Japan-US summit

NIHON KEIZAI (Page 1) (Full)

April 22, 2007

Prime Minister Abe has decided to announce during the upcoming Japan-US summit to be held on Apr. 27 in Washington the government's decision to offer financial cooperation for the reconstruction of Pakistan's area that borders on Afghanistan as an indirect assistance to the US operation to mop up the Taliban, Islamic fundamentalists' organization. As a measure for the time being, coordination will be made for the provision of several billion yen. Abe will reaffirm the Japan-US alliance in the global context by directly conveying his support for the fight against terrorism to

President Bush.

The area the reconstruction aid will cover is an autonomous area called the Federally Administered Tribal Areas (FATA) spreading along Pakistan's northeastern boundary with Afghanistan. Refugees have flown into this area, where drug smuggling is active, in the wake of the Taliban mopping-up operations since the terrorist attacks on the US in 2001. Taliban remnants are making active attacks on US forces in Afghanistan.

Seeing the delay in economic development in the border area is one factor for the slow Taliban mopping-up operations, the US government has asked Japan to provide financial cooperation for the reconstruction of that area. The prime minister intends to convey to the US side during the meeting Japan's plan to offer economic cooperation to the private sector, including the improvement of school facilities.

This will be Abe's first visit to the US since he took office as prime minister. During the upcoming meeting, the two countries are

TOKYO 00001780 003 OF 009

expected to reconfirm their intention to strengthen bilateral tie-ups on North Korea's nuclear issue and Iraqi reconstruction, as well as to agree to speed up the realignment of US forces in Japan.

12) Japan-US FTA to top agenda of upcoming summit: US-ROK pact spurs policy change

TOKYO SHIMBUN (Page 9) (Full)  
April 21, 2007

It was learned on Apr. 20 that Tokyo and Washington have begun final coordination of views for Prime Minister Abe and President Bush during their summit in Washington on the 27th to take up a free trade agreement (FTA) scrapping tariffs on bilateral trade and confirming the issue as a future agenda item, according to a government source. This will be the first time for the two countries to take up a bilateral FTA at a summit.

The aim is to pave the way for formal talks on the issue in the future by characterizing an FTA as a key economic agenda item between the two countries. Tokyo has been cautious about the idea of signing an FTA with the US out of consideration for opposition from domestic agricultural organizations. However, it has changed its stance due to a growing sense of crisis that Japan would be left behind following the US-South Korea agreement in April to sign an FTA.

The move of the world's two largest economies to sign an FTA will likely have an impact on the world's free trade system

The governments of the two countries have already started working out agenda items for the summit. The meeting is expected to focus on the issue of totally removing a ban on US beef and the protection of intellectual property rights in the economic area. They will also confirm their determination for an early settlement of new multilateral trade talks (Doha Round) at the World Trade Organization (WTO) as well as to make a public appeal on their intention to develop closer economic relations by referring to the FTA issue.

However, Japan's agricultural sector is strongly opposed to an FTA with the US, fearing a possible influx of agricultural products, impeding domestic coordination of views. The Abe administration will position the matter as a bilateral issue at the summit, but it will not give full consideration to such a possibility until the second half of this year out of consideration for its impact on the Upper House election in July.

13) "My close friend is 'Prime Minister' Koizumi," says President Bush, who appears to have a strong image of Koizumi even now

NIHON KEIZAI (Page 2) (Full)  
April 21, 2007

Hiroshi Maruya, Washington

"One of my best friends in the international community is the prime minister of Japan. Prime Minister Koizumi has been a partner for peace efforts," President Bush emphasized in a speech on April 19.

This remark highlighted that the president still had the strong image of Junichiro Koizumi. Given this, how to build a personal

TOKYO 00001780 004 OF 009

relationship of trust with the president is a challenge for Prime Minister Shinzo Abe, who is to travel to the United States from April 26.

In the speech, Bush said Japan and the US were enemies at one point but after the war, Japan has become a democratic nation. This sort of remark has been Bush's favorite phrase.

In that speech, Bush failed to call Koizumi "former" prime minister, although until recently since last September, when Abe came to power, Bush had stated, "I had talks with then Prime Minister Koizumi" or "the former prime minister, who no longer lives in the Prime Minister's Official Residence."

14) Abduction issue to be discussed at Japan-US summit

YOMIURI (Page 2) (Full)  
April 23, 2007

During a luncheon yesterday with members of the Association of the Families of Victims Kidnapped by North Korea at a hotel, Prime Minister Abe said, "I'd like to discuss with President Bush how important it is to resolve the abduction issue," revealing his intention to seek America's cooperation during the upcoming Japan-US summit to take place during his stay in the United States starting on April 26. Abe also indicated his intention to continue to address the issue imperatively, saying, "The abduction issue is an international human rights issue. All the countries must address it. I will undertake it with utmost efforts in the future as well."

The luncheon was hosted by the prime minister and joined by the association's members, Shigeru Yokota and his wife, and also family members of abduction victims from South Korea and Thailand. The association members asked Abe "to convey our desire to President Bush that North Korea should not be removed from the list of state sponsors of terrorism."

Afterwards, Abe attended the "National Rally Calling for the Immediate Return of All Abductees" held in Tokyo and addressed before the audience: "No diplomatic normalization will come without the resolution of the abduction issue. This is our cabinet's firm stance." In the same gathering, Chief Cabinet Secretary Shiozaki said: "(The abduction issue) will be discussed at the upcoming Group of Eight major industrialized nations summit conference in Germany."

15) LDP's Shoichi Nakagawa want to enact law "making it possible to declare North Korea a terrorist state"

MAINICHI (Page 2) (Excerpt)  
April 23, 2007

Liberal Democratic Party (LDP) Policy Research Chairman Shoichi Nakagawa, speaking on April 22 in Tokyo at an assembly gathered to discuss the abduction issue, stated, "I would like to enact a law that would designate a country like North Korea a terrorist (supporting) state." He indicated that he was thinking of aiming at amending the North Korea Human Rights Law this Diet session. According to a senior party official, the outlook would not be for including specific sanctions contents but for "making a symbolic amendment that makes a statement."

TOKYO 00001780 005 OF 009

16) Japan, South Korea likely to resume joint history study for first time in 22 months; Meeting of panel chairs to take place on April 27 in Seoul

TOKYO SHIMBUN (Page 3) (Full)  
April 21, 2007

Kaname Fukuda, Seoul

A meeting leading to a second round of joint history study between the governments of Japan and South Korea will be held on April 27 in Seoul, the Tokyo Shimbun learned. The two governments made such a move for the first time in one year and 10 months since they compiled a report in the first round meeting. The resumption of the second round was delayed due to the worsening of bilateral relations.

According to those involved, the April 27 meeting will be attended by Yasushi Toriumi, professor emeritus at the University of Tokyo, from the Japanese side, and Koryo University Prof. Cho Kwan from the South Korean side. The two chairmen of the joint study will exchange views on the contents of items for future discussion, the procedure of study, and the composition of study group members.

The holding of the joint history study was agreed on at the bilateral summit meeting in 2001 in order to repair bilateral relations, which had deteriorated over the contents of certain history textbooks in Japan. An experts' panel from the two countries was set up in 2002. The panel compiled its first report in June 2005.

The second round had been expected to take place before the end of 2005, but it was put off due to deteriorated bilateral ties caused by then Prime Minister Junichiro Koizumi's visits to Yasukuni Shrine. The Japanese and South Korean foreign ministers agreed in their meetings held from March to April to hold the chairmen's meeting so that the joint study session could be resumed as early as possible.

17) Kyuma to seek early deployment of MD system in 2+2; Elimination of US distrust also eyed

NIHON KEIZAI (Page 2) (Excerpts)  
April 21, 2007

During the Japan-US Security Consultative Committee of foreign and defense ministers (2+2) meeting in Washington on May 1, the government intends to seek an implementation of the missile defense (MD) system ahead of original schedule. Defense Minister Fumio Kyuma revealed this policy direction in an interview to the Nihon Keizai Shimbun on April 20. Kyuma also expressed his desire to wipe away Washington's sense of distrust in Tokyo caused by his remarks critical of the Iraq war.

The upcoming 2+2 is the first since Tokyo and Washington reached a final agreement last May on the realignment of US forces in Japan. The 2+2 will follow the April 27 summit between Prime Minister Shinzo Abe and President George W. Bush. They are expected to affirm solid ties between Japan and the United States as allies. The plan is to compare the two countries' direction to cooperate in specific areas at the cabinet meeting based on the foundation confirmed between the two top leaders.

TOKYO 00001780 006 OF 009

Defense and foreign ministerial meetings are scheduled to take place on April 30 ahead of the 2+2. It is the first meeting between Kyuma and Robert Gates since he became US secretary of defense last December.

Observers believe that the 2+2 was rescheduled for May instead of January due to Kyuma's critical remarks on President Bush's decision to launch the Iraq war. In the interview, Kyuma expressed his desire to bridge the gap through his visit to the United States, saying: "I understand why the president had to make the decision to launch the war. There will be no change in Japan-US relations."

An agreement was reached in a 2+2 a year ago to promote the MD system. Reaffirmation of the agreement would be a symbolic event for Japan's restoration of US trust. The two countries eye the complete deployment of the sea-based SM-3 and ground-based PAC-3 anti-ballistic missile system in Japan by 2010. Kyuma revealed Japan's plan to seek ways to move up original schedule with close cooperation between the two countries, saying: "We want the system implemented earlier than schedule. We would like the United States to speed up the production of the system."

In the upcoming 2+2, the two countries are also expected to conclude a General Security of Information Agreement (GSOMIA) to protect defense secrets. Kyuma indicated that it would be a comprehensive agreement covering Japanese companies engaged in the development of the MD system, as well, noting: "We will implement a defense secret protection system covering not only states but also private companies."

18) Next-generation mainstay combat aircraft: Kyuma to seek information on F-22 to pave way for procuring model

NIHON KEIZAI (Page 1) (Full)  
April 21, 2007

Defense Minister Fumio Kyuma in an interview to the Nihon Keizai on April 20 revealed his intention to ask the United States for detailed information on US fighters for the country's selection of its next-generation mainstay combat jet aircraft next summer. In order to keep its military edge, US law prohibits exporting the F-22 Raptor, a new stealth fighter, and exposing its detailed information. Kyuma's comment, which is regarded as a step to pave the way for procuring F-22s, is likely to affect the future course of the selection of the new mainstay model estimated to cost 1 trillion yen in total. In the interview, Kyuma indicated that he would ask his US counterpart, Robert Gates, for detailed aircraft information during their meeting in Washington on May 1, saying: "In order to understand specifics about (candidate models), we have to ask the US to disclose information. I would like to convey our thoughts to the US side."

The government plans to introduce first seven fighters as successors to the Air Self-Defense Force's F-4 fighters, which have become old, during the 2005-2009 Midterm Defense Buildup Program period. Six models have surfaced as candidates, including the F-18 Super Hornet, the model adopted by the US Navy, and the Eurofighter, which was jointly developed by four European countries.

An F-22 would cost 25 billion yen, which is far more expensive than the F-4's 4 billion yen and the F-15's 12 billion yen. Some observers

TOKYO 00001780 007 OF 009

think the F-22 should be avoided, given the ongoing plan to build a missile defense system, which would cost 800 billion yen to 1 trillion yen. But one took this view: "Once the F-22's excellent performance becomes clear, the government will support its good cost performance."

The focus will be shifted as to whether or not the US will remove the ban on information disclosure.

19) F-22 procurement: Decision by US Congress in focus

NIHON KEIZAI (Page 2) (Full)  
April 21, 2007

Now that Defense Minister Fumio Kyuma has revealed his intention to ask the United States for information on major fighters, a full-fledged trade war over Japan's next-generation mainstay combat jet aircraft will kick off.

F-22 fighters have temporarily been deployed at Kadena Air Base in Okinawa since February. Given USFJ Commander Lt. Gen. Bruce Wright's reference to the F-22 as a model with top capabilities, some observers think the US government is truly eager to sell F-22s to Japan. But US law prohibits exporting the F-22, which is extremely

unnoticeable to enemy radars, can fly flexibly at supersonic speed.

Even if the US government pressed the Congress for a law revision, there is no guarantee that such will materialize. Even if the US decided to revise the law, the timing is extremely crucial, given Japan's schedule to determine its new mainstay combat aircraft next summer.

Mitsubishi Corp. is under an agency agreement with Lockheed Martin, which produces the F-22. Meanwhile, Itochu Corp. and Sojitz have won dealership of Boeing, the producer of the F-18. Sumitomo Corp. is a distributor of the Eurofighter. Fierce sales promotion among those firms may affect the trend of the next fighter model.

The F-15, the current mainstay model, is being produced by Mitsubishi Heavy Industries under a license. Whether or not Mitsubishi will take a similar method is closely associated with the interests of the defense industry. Japan's process to determine its next-generation mainstay combat aircraft is likely to follow a zigzag path.

20) SDF personnel dispatch to Iraq costs 85.4 billion yen

YOMIURI (Page 2) (Full)  
April 21, 2007

The government in a written reply adopted at a cabinet meeting on Apr. 20 revealed that the cost of the dispatch of Self-Defense Forces (SDF) personnel to Iraq based on the Iraq Reconstruction Assistance Special Measures Law came to approximately 85.4 billion yen as of the end of Dec. 2006.

Such expenses for GSDF personnel active from Jan. 2004 through July 2006 were approximately 72.1 billion yen. Those for ASDF personnel, who started operations from Dec. 2003, came to approximately 13.3 billion yen.

The breakdown for necessary expenses, including personnel expenses,

TOKYO 00001780 008 OF 009

comes down to 48.2 billion yen for the GSDF and 5.5 billion yen for the ASDF. Regarding expenses for purchasing weapons and vehicles, 9.3 billion yen was appropriated to the GSDF and 1.6 billion yen to the ASDF. As maintenance expenses, such as equipment, 14.7 billion yen went to the GSDF and 6.3 billion yen to the ASDF.

Personnel expenses include allowances paid to SDF personnel dispatched to Iraq totaling 2,430 ASDF personnel and 5,500 GSDF personnel - up to 24,000 yen per person and per day.

According to the Defense Ministry, the expenses needed for the logistical support for US forces operating in the Indian Ocean starting Nov. 2001, based on the Antiterrorism Special Measures Law, were as of the end of Feb. this year 55.1 billion yen for the MSDF and 2.1 billion yen for the ASDF.

During the Gulf War in 1991, Japan provided approximately 13 billion dollars or 1.54 trillion yen for the activities of multinational forces. However, the international community did not highly evaluate Japan's effort, criticizing it as checkbook diplomacy.

21) LDP next month to establish panel to look into enactment of secrets protection law

SIPDIS

ASAHI (Page 4) (Full)  
April 21, 2007

Former Foreign Minister Nobutaka Machimura, who chairs the Liberal Democratic Party (LDP) "Study team for strengthening the state's informational functions," responded to an interview by the Asahi Shimbun and revealed the party's plan to create a party council early next month to look into the enactment of legislation to protect state secrets, the basic thinking being to draft a bill by this fall. The aim is to present a bill to the Diet during the

regular session next year in order to toughen penalties for leaking state secrets.

Machimura pointed out that since last year, when Prime Minister Shinzo Abe was chief cabinet secretary, "We continued to talk that in the new cabinet we would carry out (the strengthening of intelligence functions)." Referring to the incident in late March when it was revealed that Aegis vessel secrets were leaked by a Maritime Self-Defense Force seaman, Machimura stressed: "When the missile defense system (between Japan and the US) moves forward, the bottleneck will be the shabby shape of Japan's system for protecting secrets."

SIPDIS

The penalty for leaking intelligence under current law is a maximum of 10 years imprisonment, related to equipment provided by the US government, but Machimura noted, "Ten years is too light a sentence." He revealed that he was thinking of legislation that would require Diet members, too, to guard secrets. He also stated, "We must get the agreement of both the ruling and opposition camps."

22) US beef: Finding breakthrough hard; US showing signs of softening stance

MAINICHI (Page 11) (Full)  
April 21, 2007

Agriculture, Forestry and Fisheries (MAFF) Minister Toshikatsu

TOKYO 00001780 009 OF 009

Matsuoka and US Secretary of Agriculture Mike Johanns had telephone conversations on Apr. 19-20 to discuss the US beef import issue, which remains stagnant with the two countries at odds over the implementation of the inspection of meat-processing facilities by Japan. However, there has been no change in the stances of both sides. The Japanese side sees that the US has indicated signs of softening its stance, as one senior MAFF official put it. However, whether a breakthrough can be found by the bilateral summit slated for Apr. 27 is an open question.

Matsuoka during the talks strongly urged the US to accept the inspection of meat-processing facilities by Japan, but Johanns insisted that the prerequisite is for Japan to pledge to ease its import condition that limits beef eligible for export to cattle aged 20 months or younger. Since the World Organization for Animal Health (OIE) is expected to recognize at its plenary session in May that US beef can be exported without age limit, the US appears to be insisting that Japan should follow the international guidelines.

However, for Japan on its part, it is impossible to omit the inspections, which are based on the agreement the two countries reached last summer. In addition, in order for Japan to ease the import criterion, risk assessment by the Food Safety Commission and explanations to the public are essential. Matsuoka after a cabinet meeting on the 20th stressed that inspections of meat-processing facilities would be beneficial to the US as well. He said: "If the US observation of export guidelines is confirmed, it would be possible to designate more meat-packers eligible to export products to Japan. A new step, including the ending of the inspection of all boxes, would be possible."

Johanns agreed to continue talks probably in consideration of growing voices in the US meat industry seeking the acceptance of Japan's request for inspections. Japan intends to continue persuading the US, with Matsuoka saying, "The US understanding of Japan's request is deepening."

SCHIEFFER